



State of Utah
Department of
Natural Resources

MICHAEL R. STYLER
Executive Director

Division of
Oil, Gas & Mining

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Acting Division Director

JON M. HUNTSMAN, JR.
Governor

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Lieutenant Governor

April 1, 2005

Michael Pauletto
I & P Investments
10517 NE 50th Avenue
Vancouver, Washington 98686

Subject: Tentative Approval to Commence Large Mining Operations, I & P Investments Company, Green Peak Quarry, M/003/060, Box Elder County, Utah

Dear Mr. Pauletto:

The Division has completed a review of your latest response, received March 14, 2005, to our February 11, 2005 deficiency review letter. After reviewing this latest information, the Division is now prepared to grant tentative approval of the Green Peak Quarry large mining permit application. We have prepared the formal notice of tentative approval which will be published for public comment in the appropriate Salt Lake City and Box Elder County newspapers (copy attached). This will begin the required 30-day public comment period. If no substantive comments are received during the public comment period, the Division will then be prepared to issue its final approval for this project.

Anyone aggrieved by this tentative decision is advised to file a written protest with this Division setting forth factual reasons why this proposed operation should not be approved. Written objections of substance, received by the Division during the public comment period, will be heard at a formal adjudicative proceeding in accordance with UCA §40-8-13.

Prior to issuing final approval, we require that you provide us with:

1. two copies of the complete and corrected plan (you will also need to provide the BLM with a copy). When final approval is issued, one copy will be stamped "approved" and returned to you for your records;
2. a reclamation surety in the amount of \$74,700 (estimate attached) and a Reclamation Contract (Form MR-RC enclosed) must be completed and

Michael Pauletto
Page 2 of 2
M/003/060
April 1, 2005

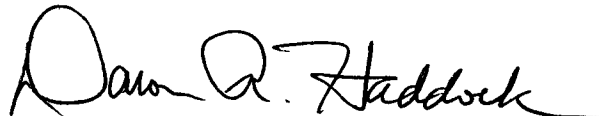
submitted to this office. Please let us know which type of surety you propose to post so we can provide you with the appropriate form. Please provide us with a draft copy of the completed reclamation contract and surety form before they are finalized so we can review them for completeness and accuracy.

If the required surety and Reclamation Contract are not received prior to the end of the 30-day public comment period (or arrangements made as to when they will be submitted), the Division will withdraw our Tentative Approval. If, at a later time, you wish to pursue a mining permit, you will need to submit a new notice along with the appropriate application fee, receive Tentative Approval (you may be billed for publishing in the newspapers a second time), submit the required reclamation surety, and receive written approval from this office as well as any other agency involved with the permitting process **prior** to creating any mining related disturbance.

Please be advised that **you are not authorized to create any new mining related surface disturbance until you have received written final approval from this division, as well as any other agency involved with the permitting process.**

Thank you for your cooperation and patience in completing this permitting process. If you have any questions regarding this letter, please contact me at (801) 538-5325 or Lynn Kunzler at 538-5310.

Sincerely,



Daron R. Haddock
Permit Supervisor
Minerals Regulatory Program

DRH:lkjb
Attachment: cost estimate
Enclosure: MR-RC
cc: Mike Nelson, BLM, SLFO
O:\M003-BoxElder\M0030060-GreenPeak\final\Tentative-apv.doc

RECLAMATION SURETY ESTIMATE

Heritage Quarries, LLC

Green Peak Quarry

DOGM file Number M/003/060

Prepared by Utah State Division of Oil, Gas & Mining

filename M003-060.xls

Box Elder County

Quantities & acreages furnished by Heritage Quarries, LLC
Note: actual unit costs may vary according to site conditions last unit cost update 03/01/05
-Amount of disturbed area which will receive reclamation treatments = 12.4 acres
-Estimated total disturbed area for this mine = 12.4 acres

<u>Activity</u>	<u>Quantity</u>	<u>Units</u>	<u>\$/unit</u>	<u>\$</u>	<u>Note</u>
Safety gates, signs, etc (mtls & installation)	1	Sum	250	250	
Quarry Area					
Contour	5 acres		710	3550	
Haul & place growth medium	4000 CY		3.02	12080	
Composted manure	5 acres		350	1750	
Broadcast Seed Area	5 acres		280	1400	
Road Reclamation					
Remove Culvert	30 lf		1.45	44	
Remove RipRap	30 lf		1.45	44	
Contour - sidecast material replacement	6000 lf		1.45	8700	
Composted manure	3 acres		350	1050	
Broadcast Seed	3 acres		280	840	
Waste Rock Pile					
Regrade slope	1.7 acres		710	1207	
Replace growth medium	1370 CY		0.68	932	
Rip prior to seeding	1.7 acres		286	486	
Composted manure	1.7 acres		350	595	
Broadcast seed	1.7 acres		280	476	
Growth Medium Pile					
Rip prior to seeding	0.5 acres		286	143	
Composted manure	0.5 acres		350	175	
Broadcast seeding	0.5 acres		280	140	
Millsite					
Screen fines	1700 CY		3.02	5134	
Contour rock pile	300 CY		0.68	204	
Rip prior to seeding	2.2 acres		286	629	
Composed Manure	2.2 acres		350	770	
Broadcast seed	2.2 acres		280	616	
General site cleanup & trash removal	6.2 acre		75	465	
Equipment mobilization	4 equip		2000	8000	
Reclamation supervision -10% of reclamation estimate				4968	
	Subtotal			54647	
10% Contingency				5465	
	Subtotal			60112	
Escalate for 5 years at 4.44% per year				14584	
	Total			74695	
Rounded surety amount in year 2010 \$				74700	
Average cost per disturbed acre =				6024	